

PATENT  
450101-03439REMARKS

Claims 1-17 are in this application with claims 1-16 having been amended and new claim 17 having been added hereto.

In the Office Action the Examiner has rejected claim 1-16 under 35 U.S.C. § 112 due to the use of the term "short distance." The claims have been amended to remove this term. Accordingly, it is requested that the rejection be withdrawn.

Next claims 1-4, 8-12 and 16 have been rejected under 35 U.S.C. § 102(e) as anticipated by U.S. Patent No, 6,148,205 to Cotton. Further, claims 5-7 and 13-15 have been rejected under 35 U.S.C. 103 (a) as unpatentable over the combination of Cotton in view of U.S. Patent No. 5,463,659 to Nealon.

Claim 1 has been amended to recite "switching coverage area of two or more of said radio devices from the first coverage area to the second coverage area, the second coverage area being smaller than the first coverage area." It is respectfully submitted that the relied upon portions of Cotton do not teach a device having two different coverage areas. Further it is submitted that the relied upon portions of Cotton do not teach switching from a first to a second coverage area for purposes of authentication. Finally, it is submitted that Cotton requires the use of a "base station, 102" for purposes of authentication. In contrast, the present invention does not require a base station, the two or more radio devices are mobile such as cellular phones and are capable of authenticating one another when brought within sufficient proximity. For at least these reasons it is submitted that claim 1 patenably distinguishes over Cotton and is allowable. Further it is submitted that the relied upon portions of Nealon do not overcome the deficiencies of Cotton. For similar reasons independent claims 9 and 17 also distinguish

BEST AVAILABLE COPY

PATENT  
450101-03439

over Cotton, whether alone or in combination with Nealon. Accordingly, Claims 2-8 and 10-16, which depend from an allowable base claim should be allowed therewith. Therefore, it is respectfully requested that the rejection of claim 1-16 be withdrawn.

In the event that the Examiner disagrees with any of the foregoing comments concerning the disclosures in the cited prior art, it is requested that the Examiner indicate where in the reference or references, there is the bases for a contrary view.

**Conclusion**

It is respectfully submitted that the instant application is in condition for allowance; and an early notice to this effect is respectfully solicited.

Please charge any fees incurred by reason of this response and not paid herewith to Deposit Account No. 50-0320.

Respectfully submitted,

FROMMER LAWRENCE & HAUG LLP  
Attorneys for Applicants

By: 

Thomas F. Presson  
Reg. No. 41,442  
(212) 588-0800

BEST AVAILABLE COPY